PRESS RELEASE

[July 12, 2011]

Good Morning.

I am pleased to have the opportunity to speak with you again today about one of the most important community developments involving the City of Jasper in 2011, the Jasper power plant, and its potential repowering to natural gas and miscanthus.

As part of its necessary general due diligence and in response to specific concerns from Citizens, City Representatives have been investigating the potential emissions from the power plant if repowered under Jasper Clean Energy's proposal. One part of that review of potential emissions was to obtain the opinion of an objective, outside expert. The City identified Dr. Chris Shaddix. City Representatives believe Dr. Shaddix is imminently qualified to assist the City with this evaluation. Allow me to briefly review for you Dr. Shaddix's resume:

- Dr. Shaddix has a Masters (M.A.) and a doctorate (Ph.D.), from Princeton University;
- He is an expert in combustion research and biomass fuels;
- He is a principal member of Combustion Research Facility, Sandia National Laboratories:
- Dr. Shaddix is Vice Chair of the Western States Section for the Combustion Institute;
- He is Associate Editor of the Combustion Science & Technology periodical;
- He is a member of the U.S. Dept. of Energy's University Coal Research Program;
- Dr. Shaddix regularly provides reviews for other energy periodicals; and
- Dr. Shaddix has also authored and co-authored numerous scholarly articles regarding energy fuels and combustion topics.

I will be distributing a copy of Dr. Shaddix's curriculum vitae at the end of this press conference.

Dr. Shaddix has provided to City Representatives a written report setting forth his opinions of the Project.

Dr. Shaddix's report, which will be available to each of you after this press conference, will also be posted on the City's website so that it will be easily available to all Citizens who want to review his report.

Dr. Shaddix was hired by the Utility Services Board and the City to review the proposal by Jasper Clean Energy and, more specifically, the potential impact of the emissions on the health of the Citizens of Jasper and Dubois County.

Miscanthus

I want to highlight several points Dr. Shaddix makes regarding the choice of Miscanthus by Jasper Clean Energy:

- 1. Miscanthus is the best choice for an energy crop because:
 - -good mass and energy yields
 - -requires little fertilization
 - -simple to harvest
- 2. Miscanthus produces lower emissions of NOx, CO and dust than other herbaceous biomass crops and has the lowest content of ash, nitrogen and chlorine of any herbaceous biomass crop.
- 3. In general, emissions from the burning of Miscanthus are similar to the burning of clean wood.

Dr. Shaddix acknowledges that this Project is unique and will be the first on this scale using Miscanthus as a dedicated energy crop in the United States. Dr. Shaddix also acknowledges that Jasper Clean Energy will face some engineering, marketing and regulatory challenges in trying to bring this Project to full operation.

Particulates

This proposed Project also has caused a lot of speculation about the impact of the repowered facility on particulate emissions in Jasper and Dubois County. Jasper Clean Energy has agreed to meet a particulate standard of 0.02 lbs/MMBtu of fuel input which is the most stringent standard currently under federal law. As I mentioned at the last press conference – Jasper Clean Energy voluntarily agreed to meet these more stringent emissions standards.

Dioxins

In his report, Dr. Shaddix also states that the risk for dioxin emissions is very low with Miscanthus. In contrast, Dr. Shaddix notes that high dioxin emissions are generally connected to the burning of municipal waste, hospital waste, preservative treated wood or open air combustion. I want to stress again to assure the public that none of these materials are being proposed as a fuel source by Jasper Clean Energy. The primary fuels being proposed by Jasper Clean Energy are natural gas and Miscanthus.

Before I take questions – I want to highlight 2 more conclusions from Dr. Shaddix's report.

First Conclusion

Twisted Oak/Jasper Clean Energy's proposal "appears to be well-considered and a promising approach for revitalizing" the City's power plant. (emphasis added.)

Second Conclusion

"The proposed air pollution control equipment represents the <u>state-of-the-art</u> <u>in pollution prevention</u> for grate-fired boilers and should adequately protect the Citizens of Jasper. (*emphasis added*.)

I also wanted to let you know that City Representatives expect Dr. Shaddix to be available at the upcoming public forum to comment on his report and to answer questions from the Citizens of Jasper and City Representatives.

As the City continues to negotiate and review the impacts of this potential Project, the City will release additional information or proposals as they become available.